Financing Agreement

(Youth Opportunities Project)

between

REPUBLIC OF LIBERIA

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

Dated February 24, 2016
FINANCING AGREEMENT

AGREEMENT dated February 24, 2016, entered into between REPUBLIC OF LIBERIA ("Recipient") and INTERNATIONAL DEVELOPMENT ASSOCIATION ("Association"). The Recipient and the Association hereby agree as follows:

ARTICLE I — GENERAL CONDITIONS; DEFINITIONS

1.01. The General Conditions (as defined in the Appendix to this Agreement) constitute an integral part of this Agreement.

1.02. Unless the context requires otherwise, the capitalized terms used in this Agreement have the meanings ascribed to them in the General Conditions or in the Appendix to this Agreement.

ARTICLE II — FINANCING

2.01. The Association agrees to extend to the Recipient, on the terms and conditions set forth or referred to in this Agreement, a credit in an amount equivalent to seven million two hundred thousand Special Drawing Rights (SDR 7,200,000) (variously, "Credit" and "Financing"), to assist in financing the project described in Schedule 1 to this Agreement ("Project").

2.02. The Recipient may withdraw the proceeds of the Financing in accordance with Section IV of Schedule 2 to this Agreement.

2.03. The Maximum Commitment Charge Rate payable by the Recipient on the Unwithdrawn Financing Balance shall be one-half of one percent (1/2 of 1%) per annum.

2.04. The Service Charge payable by the Recipient on the Withdrawn Credit Balance shall be equal to three-fourths of one percent (3/4 of 1%) per annum.

2.05. The Payment Dates are February 15 and August 15 in each year.

2.06. The principal amount of the Credit shall be repaid in accordance with the repayment schedule set forth in Schedule 3 to this Agreement.

2.07. The Payment Currency is Dollar.
ARTICLE III — PROJECT

3.01. The Recipient declares its commitment to the objectives of the Project. To this end, the Recipient shall, through MYS, LACE, and MGCSP, carry out their Respective Parts of the Project, all in accordance with the provisions of Article IV of the General Conditions.

3.02. Without limitation upon the provisions of Section 3.01 of this Agreement, and except as the Recipient and the Association shall otherwise agree, the Recipient shall ensure that the Project is carried out in accordance with the provisions of Schedule 2 to this Agreement.

ARTICLE IV — REMEDIES OF THE ASSOCIATION

4.01. The Additional Event of Suspension consists of the following, namely, that Chapter 50B of Title 12 of the Liberian Code of Laws of the Recipient shall have been amended, suspended, abrogated, repealed or waived so as to affect materially and adversely the ability of LACE to perform any of its obligations referred to, or arising from, this Agreement and the Subsidiary Grant Agreement.

4.02. The Additional Event of Acceleration consists of the following, namely, that the event specified in Section 4.01 of this Agreement occurs and is continuing for a period of sixty (60) days after notice of the event has been given by the Association to the Recipient.

ARTICLE V — EFFECTIVENESS; TERMINATION

5.01. The Additional Conditions of Effectiveness consists of the following:

(a) The Subsidiary Grant Agreement, acceptable to the Association, has been executed on behalf of the Recipient and LACE.

(b) The Recipient has adopted a Project Operations Manual acceptable to the Association.

(c) The Recipient has established a Project Management Team within MYS with terms of reference, staffing, and resources satisfactory to the Association.

5.02. The Additional Legal Matter consists of the following, namely, that the Subsidiary Grant Agreement has been duly authorized or ratified by the Recipient and LACE and is legally binding upon the Recipient and LACE in accordance with its terms.

5.03. The Effectiveness Deadline is the date ninety (90) days after the date of this Agreement.
5.04. For purposes of Section 8.05(b) of the General Conditions, the date on which the obligations of the Recipient under this Agreement (other than those providing for payment obligations) shall terminate is twenty (20) years after the date of this Agreement.

ARTICLE VI — REPRESENTATIVE; ADDRESSES

6.01. The Recipient's Representative is its minister responsible for finance and development planning.

6.02. The Recipient's Address is:

Ministry of Finance and Development Planning  
P.O. Box 10-9016  
1000 Monrovia 10  
Liberia

Facsimile:

(231) 22-60-75

6.03. The Association's Address is:

International Development Association  
1818 H Street, N.W.  
Washington, D.C. 20433  
United States of America

Cable: Telex: Facsimile:

INDEVAS 248423 (MCI) 1-202-477-6391
AGREED at Monrovia, Republic of Liberia, as of the day and year first above written.

REPUBLIC OF LIBERIA

By

[Signature]

Authorized Representative

Name: Amara M. Konneh

Title: Minister of Finance and Development Planning

INTERNATIONAL DEVELOPMENT ASSOCIATION

By

[Signature]

Authorized Representative

Name: Inzuma Dobraka

Title: Country Manager
SCHEDULE 1

Project Description

The objectives of the Project are to improve access to income generation opportunities for targeted youth and strengthen the Recipient's capacity to implement its cash transfer program.

The Project consists of the following parts:

Part A: Pre-employment Social Support and Household Enterprises for Urban Youth

1. Carrying out a program of activities to increase the employment readiness of youth, including: (i) providing psychosocial support for youth affected by the Ebola virus; and (ii) conducting training and workshops on employment-related knowledge and skills.

2. Facilitating and improving youth engagement in household enterprises, including, inter alia: (i) establishing and operationalizing targeting centers to identify Beneficiaries; (ii) building the capacity of Beneficiaries to prepare proposals for Household Enterprises Sub-projects; (iii) providing support to Beneficiaries and trainers for the carrying out of Household Enterprises Sub-projects; and (iv) providing Sub-grants to Beneficiaries in carrying out Household Enterprises Sub-projects.

3. Building the capacity and systems of the Recipient’s relevant agencies at both the central and local levels for long term delivery of and sustainability of youth targeted activities, including, inter alia: (i) providing training on labor market intervention; (ii) building a monitoring and evaluation system to monitor Project results; (iii) developing and implementing a social accountability mechanism and a grievance redress mechanism for activities supported under Parts A and B of the Project; and (iv) carrying out an impact evaluation for activities under the Project.

Part B: Productive Public Works and Life Skills Support

1. Providing youth in rural areas livelihood support through community-based Productive Public Works Sub-projects and life skills training, including, inter alia: (i) providing support to Beneficiaries in preparing proposals for Productive Public Works Sub-projects; (ii) providing support for the carrying out of Productive Public Works Sub-projects; (iii) providing training to Beneficiaries on key life skills to enhance the long-term benefits of participating in Productive Public Works Sub-projects; and (iv) providing Sub-grants to Beneficiaries for carrying out Productive Public Works Sub-projects.
2. Building the capacity and systems of LACE for long term delivery of and sustainability of youth targeted activities, including, *inter alia*: (i) providing training on labor market intervention; (ii) undertaking knowledge exchange events; (iii) undertaking studies aimed to promote youth employment dialogue.

**Part C: Capacity Building for Cash Transfer Program**

Carrying out a program of activities to strengthen the Recipient’s capacity to implement its Cash Transfer Program, including, *inter alia*: (i) updating the Recipient’s existing manual on the Cash Transfer Program; and developing related integrated management information systems, e-payment systems, and grievance redress mechanisms; (ii) refurnishing office buildings to house the above-mentioned information management systems; and (iii) strengthening MGCSP’s capacity in implementing the Cash Transfer Program through the provision of training and technical assistance.

**Part D: Project Implementation and Coordination**

1. Strengthening the capacity of MYS for Project management, coordination, monitoring and evaluation, including, *inter alia*, financial and procurement managements, reporting and auditing.

2. Strengthening the capacity of LACE for Project management, coordination, monitoring and evaluation, including, *inter alia*, financial and procurement managements, reporting and auditing.

3. Strengthening the capacity of MGCSP for Project management, coordination, monitoring and evaluation, including, *inter alia*, financial and procurement managements, reporting and auditing.
SCHEDULE 2
Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements

1. The Recipient shall maintain, throughout the Project implementation, a Project Coordination Committee with functions, composition and resources acceptable to the Association, to be responsible for the overall coordination of Project implementation.

2. The Recipient shall, prior to commencing any Project activity in a Community, cause the community to establish and thereafter maintain:
   (a) a County Steering Committee with functions, composition and resources acceptable to the Association, to be responsible for coordination and overall management of Project implementation at the county level; and
   (b) a Community Oversight Committee, with functions, composition and resources acceptable to the Association, to be responsible for providing community support to Project implementation at the community level.

3. The Recipient shall maintain, throughout the implementation of the Project:
   (a) a Project Management Team within MYS, with terms of reference, staffing, and resources satisfactory to the Association, to be responsible for: (i) day-to-day Project planning and coordination, including the development of relevant guidelines required for Project implementation; and (ii) implementation of MYS’ Respective Parts of the Project;
   (b) LACE Technical Team, with terms of reference, staffing and resources satisfactory to the Association, to be responsible for the implementation of LACE’s Respective Parts of the Project; and
   (c) MGCSP Technical Team, with terms of reference, staffing, and resources satisfactory to the Association, to be responsible for the implementation of MGCSP’s Respective Parts of the Project.

B. Subsidiary Grant Agreement

1. For the purpose of implementing LACE’s Respective Parts of the Project, the Recipient shall enter into a Subsidiary Grant Agreement with LACE under terms and conditions acceptable to the Association, including, inter alia:
(a) The Recipient’s obligation to provide to LACE the portion of the proceeds of the Financing allocated from time to time to Category 2 of the table set forth in Section IV.A.2 of this Schedule 2.

(b) LACE’s obligation to carry out its Respective Parts of the Project with due diligence and efficiency, in conformity with appropriate administrative, financial, technical, environmental and social practices, under the supervision of qualified and experienced management assisted by competent staff in adequate numbers, and in accordance with the provisions of this Agreement and the Project Operational Manual.

(c) LACE’s obligation to procure goods, works and services required for carrying out its Respective Parts of the Project and to be financed out of the proceeds of the Financing, in accordance with the provisions of Section III of Schedule 2 to this Agreement, as said provisions may be further elaborated in the Procurement Plan and the Project Operational Manual.

(d) LACE’s obligation to implement its Respective Parts of the Project in accordance with the provisions of the ESMF and RPF.

(e) LACE’s obligation to implement the terms of the Anti-Corruption Guidelines.

(f) LACE’s obligation to: (1) maintain a separate financial management system for implementing its Respective Parts of the Project; (2) prepare financial statements in accordance with consistently applied accounting standards acceptable to the Association, adequate to reflect its operations and financial condition; and (3) register separately the operations, resources and expenditures related to its Respective Parts of the Project.

(g) LACE’s obligation to promptly inform the Recipient and the Association of any condition which interferes or threatens to interfere with the progress of its Respective Parts of the Project and the performance of its obligations under the Subsidiary Grant Agreement.

(h) LACE’s obligation to neither take nor concur in any action which would have the effect of amending, abrogating, assigning or waiving the Subsidiary Grant Agreement.

2. The Subsidiary Grant Agreement shall include a provision stipulating that in the case of conflict between the Subsidiary Grant Agreement and this Agreement, the provisions of this Agreement shall apply.

3. The Recipient shall exercise its rights under the Subsidiary Grant Agreement in such manner as to protect the interests of the Recipient and the Association and to
accomplish the purposes of the Financing. Except as the Association shall otherwise agree, the Recipient shall not assign, amend, abrogate or waive the Subsidiary Grant Agreement or any of its provisions.

C. Project Operations Manual

1. The Recipient shall implement the Project in accordance with the Project Operations Manual, setting forth rules, methods, guidelines, and procedures for the carrying out of the Project, including, *inter alia*:

   (a) detailed description of Project and institutional arrangements for implementing the Project;

   (b) eligibility criteria and procedures to be applied for selection of Beneficiaries for receiving Sub-grants;

   (c) detained procedures for disbursing Sub-grants, including, *inter alia*, disbursement milestones, mechanisms for verifying the achievement of disbursement milestones, disbursement approval process, and related monitoring, reporting and auditing requirements;

   (d) the operating procedures governing Sub-projects, including, *inter alia*, specific criteria for Sub-projects to be eligible for financing under the Project, selection criteria for Beneficiaries to participate in Sub-projects; guidelines for selection, approval, implementation, monitoring and evaluation of Sub-projects; the terms and conditions for the Sub-grant Agreements;

   (e) the Environmental and Social Management Framework and the Resettlement Policy Framework,

   (f) monitoring, evaluation, reporting, and governance procedures for the Project; and

   (g) overall disbursement, financial management, auditing and procurement procedures for the Project.

2. In the event that any provision of the Project Operations Manual shall conflict with any provision of this Agreement, the provisions of this Agreement shall prevail. The Recipient shall not amend the Project Operations Manual without the Association’s prior written approval.
D. **Annual Work Plan and Budget**

1. The Recipient shall, not later than May 1 of each year, prepare and furnish to the Association, an Annual Work Plan and Budget containing all activities proposed to be included in the Project and a proposed financing plan for expenditures required for such activities, setting forth the proposed amounts and sources of financing.

2. The Recipient shall afford the Association a reasonable opportunity to exchange views with the Recipient on such proposed Annual Work Plan and Budget and thereafter ensure that the Project is implemented in accordance with such Annual Work Plan and Budget as shall have been approved by the Association.

E. **Anti-Corruption**

The Recipient shall ensure that the Project is carried out in accordance with the provisions of the Anti-Corruption Guidelines.

F. **Environmental and Social Safeguards**

1. The Recipient shall carry out the Project in accordance with the ESMF, RPF, and any other Safeguard Document prepared or to be prepared by the Recipient in accordance with sub-paragraph 2 below, in a manner satisfactory to the Association.

2. Whenever an ESMP and/or RAP shall be required for any proposed Sub-project, in accordance with the provisions of the ESMF and/or the RPF, the Recipient shall:

   (a) prior to the commencement of such Sub-project, proceed to have an ESMP satisfactory to the Association: (i) prepared in accordance with the provisions of the ESMF; and (ii) thereafter adopted and disclosed, in a manner acceptable to the Association;

   (b) prior to the commencement of such Sub-project, proceed to have a RAP: (i) prepared in accordance with the provisions of the RPF; (ii) furnished to the Association for review and approval; and (iii) thereafter adopted and disclosed as approved by the Association, in a manner acceptable to the Association;

   (c) take such measures as shall be necessary or appropriate to ensure compliance with the requirements of such ESMP and/or RAP; and

   (d) in the case of any resettlement activity under the proposed Sub-project involving Affected Persons, ensure that no displacement (including restriction of access to legally designated parks and protected areas) shall
occur before necessary resettlement measures consistent with the relevant RAP have been executed, including, in the case of displacement, full payment to Affected Persons of compensation and of other assistance required for relocation, prior to displacement.

3. The Recipient shall not amend, abrogate or waive, or permit to be amended, abrogated or waived, the ESMF, RPF and any Safeguard Document adopted in accordance with the provisions of paragraph 2 of this Part F, unless the Association has provided its prior approval thereof in writing, and the Recipient has complied with the same consultation and disclosure requirements as applicable to the original adoption of the said instruments.

4. Without limitation on its other reporting obligations under this Agreement, the Recipient shall collect, compile and submit to the Association each calendar semester (or at such other frequency as may be agreed with the Association) consolidated reports on the status of compliance with the ESMF, the RPF, and any Safeguard Documents prepared for the Project, as applicable, giving details of: (a) measures taken in furtherance of the said instruments; (b) conditions, if any, which interfere or threaten to interfere with the smooth implementation of the said measures; and (c) remedial measures taken or required to be taken to address such conditions.

5. In the event that a Community provides land donation for carrying out a proposed Sub-project, prior to commencing the implementation of such Sub-project, the Recipient shall enter into a Memorandum of Understanding with said Community under terms and conditions acceptable to the Association.

G. **Sub-projects and Sub-grants**

1. The Recipient shall appraise, review, approve, and supervise each Sub-project in accordance with the criteria, procedures and requirements set out in the Project Operations Manual.

2. The Recipient shall select and approve Beneficiaries in accordance with the criteria and procedures set forth in the Project Operations Manual.

3. The Recipient shall only make the proceeds of a Sub-grant available to a Beneficiary after the Recipient has entered into a Sub-grant Agreement with the Beneficiary on terms and conditions acceptable to the Association, which shall include the Recipient’s right to:

   (a) suspend or terminate the right of the Beneficiary to use the proceeds of the Sub-grant, or obtain a refund of all or any part of the amount of the said Sub-grant, upon the Beneficiary’s failure to perform any of its obligations under the Sub-grant Agreement; and
(b) require each Beneficiary to:

(i) carry out its respective Sub-project with due diligence and efficiency and in accordance with sound technical and financial standards and practices satisfactory to the Association, including the requirements set out in the Anti-Corruption Guidelines applicable to the recipients of the Credit proceeds other than the Recipient;

(ii) provide, promptly as needed, the resources required for carrying out the Sub-project;

(iii) procure the goods and/or services to be financed out of the Sub-grant in accordance with the provisions of this Agreement and use such goods and/or services exclusively for the Sub-project;

(iv) enable the Association and Recipient to inspect the Sub-project, its operation and any relevant records and documents; and

(v) prepare and furnish to the Association and Recipient, all such information as the Association and Recipient shall reasonably request relating to the foregoing.

4. The Recipient shall exercise its rights under each Sub-grant Agreement in such manner as to protect the interests of the Recipient and the Association and to accomplish the purposes of the Credit. Except as the Association shall otherwise agree, the Recipient shall not assign, amend, abrogate or waive any Sub-grant Agreement or any of its provisions.

Section II. Project Monitoring, Reporting and Evaluation

A. Project Reports

1. The Recipient shall monitor and evaluate the progress of the Project and prepare Project Reports in accordance with the provisions of Section 4.08 of the General Conditions and on the basis of indicators acceptable to the Association. Each Project Report shall cover the period of every six (6) months, and shall be furnished to the Association not later than forty-five (45) days after the end of the period covered by such report.
B. Financial Management, Financial Reports and Audits

1. The Recipient shall maintain or cause to be maintained a financial management system in accordance with the provisions of Section 4.09 of the General Conditions.

2. Without limitation on the provisions of Part A of this Section, the Recipient shall prepare and furnish to the Association not later than forty-five (45) days after the end of each calendar quarter, interim unaudited financial reports for the Project covering the quarter, in form and substance satisfactory to the Association.

3. The Recipient shall have its Financial Statements audited in accordance with the provisions of Section 4.09(b) of the General Conditions. Each audit of the Financial Statements shall cover the period of one fiscal year of the Recipient. The audited Financial Statements for each such period shall be furnished to the Association not later than six (6) months after the end of such period.

Section III. Procurement

A. General

1. **Goods, Works and Non-consulting Services.** All goods, works and non-consulting services required for the Project and to be financed out of the proceeds of the Financing shall be procured in accordance with the requirements set forth or referred to in Section I of the Procurement Guidelines, and with the provisions of this Section.

2. **Consultants' Services.** All consultants' services required for the Project and to be financed out of the proceeds of the Financing shall be procured in accordance with the requirements set forth or referred to in Sections I and IV of the Consultant Guidelines, and with the provisions of this Section.

3. **Definitions.** The capitalized terms used below in this Section to describe particular procurement methods or methods of review by the Association of particular contracts, refer to the corresponding method described in Sections II and III of the Procurement Guidelines, or Sections II, III, IV and V of the Consultant Guidelines, as the case may be.

B. Particular Methods of Procurement of Goods, Works and Non-consulting Services

1. **International Competitive Bidding.** Except as otherwise provided in paragraph 2 below, goods, works and non-consulting services shall be procured under contracts awarded on the basis of International Competitive Bidding.
2. **Other Methods of Procurement of Goods, Works and Non-consulting Services.** The following methods, other than International Competitive Bidding, may be used for procurement of goods, works and non-consulting services for those contracts specified in the Procurement Plan: (a) Limited International Bidding; (b) National Competitive Bidding, subject to the additional provisions set forth in paragraph 3 below; (c) Shopping; (d) procurement under Framework Agreements in accordance with procedures which have been found acceptable to the Association; (e) Direct Contracting; (f) Force Account; (g) Procurement from United Nations Agencies; (h) Well-established Private Sector Procurement Methods or Commercial Practices which have been found acceptable to the Association; and (i) Community Participation procedures which have been found acceptable to the Association.

3. **Additional provisions to the national Competitive Bidding**
   
   (a) foreign bidders shall be allowed to participate in National Competitive Bidding procedures;
   
   (b) bidders shall be given adequate time, but not less than fifteen (15) days, to prepare and submit bids from the date of the invitation to bid or the date of availability of bidding documents, whichever is later;
   
   (c) no domestic preference shall be given for domestic bidders and for domestically manufactured goods; and
   
   (d) in accordance with paragraph 1.16 (e) of the Procurement Guidelines, each bidding document and contract financed out of the proceeds of the Credit shall provide that: (i) the bidders, suppliers, contractors, and subcontractors shall permit the Association, at its request, to inspect their accounts and records relating to the bid submission and performance of the contract and to have these accounts and records audited by auditors appointed by the Association; and (ii) the deliberate and material violation by the bidder, supplier, contractor, or subcontractor of the provision may amount to an obstructive practice as defined in paragraph 1.16 (a) (v) of the Procurement Guidelines.

C. **Particular Methods of Procurement of Consultants’ Services**

1. **Quality- and Cost-based Selection.** Except as otherwise provided in paragraph 2 below, consultants’ services shall be procured under contracts awarded on the basis of Quality- and Cost-based Selection.

2. **Other Methods of Procurement of Consultants’ Services.** The following methods, other than Quality- and Cost-based Selection, may be used for procurement of consultants’ services for those contracts which are specified in the
Procurement Plan: (a) Quality-based Selection; (b) Selection under a Fixed Budget; (c) Least-Cost Selection; (d) Selection based on Consultants' Qualifications; (e) Single-source Selection of consulting firms; (f) Well-established Private Sector Procurement Methods or Commercial Practices which have been found acceptable to the Association; (g) Selection of United Nations Agencies; (h) Selection of consultants under Indefinite Delivery Contract or Price Agreement; (i) Procedures set forth in paragraphs 5.2 and 5.3 of the Consultant Guidelines for the Selection of Individual Consultants; and (j) Single-source procedures for the Selection of Individual Consultants.

D. Review by the Association of Procurement Decisions

The Procurement Plan shall set forth those contracts which shall be subject to the Association's Prior Review. All other contracts shall be subject to Post Review by the Association.

Section IV. Withdrawal of the Proceeds of the Financing

A. General

1. The Recipient may withdraw the proceeds of the Financing in accordance with the provisions of Article II of the General Conditions, this Section, and such additional instructions as the Association shall specify by notice to the Recipient (including the "World Bank Disbursement Guidelines for Projects" dated May 2006, as revised from time to time by the Association and as made applicable to this Agreement pursuant to such instructions), to finance Eligible Expenditures as set forth in the table in paragraph 2 below.

2. The following table specifies the categories of Eligible Expenditures that may be financed out of the proceeds of the Financing ("Category"), the allocations of the amounts of the Financing to each Category, and the percentage of expenditures to be financed for Eligible Expenditures in each Category:
### Category | Amount of the Financing Allocated (expressed in SDR) | Percentage of Expenditures to be Financed (inclusive of Taxes)
--- | --- | ---
1. Goods, non-consulting services, consultants’ services, Training, and Operating Costs under MYS’ Respective Parts of the Project | 1,200,000 | 100%
2. Goods, works, non-consulting services, consultants’ services, Training, Operating Costs, and Sub-grants under LACE’s Respective Parts of Project | 5,000,000 | 100%
3. Goods, works, non-consulting services, consultants’ services, Training, Operating Costs, and Cash Transfers under MGCSP’s Respective Parts of the Project | 1,000,000 | 100%
**TOTAL AMOUNT** | **7,200,000** | ---

#### B. Withdrawal Conditions; Withdrawal Period

1. Notwithstanding the provisions of Part A of this Section, no withdrawal shall be made for payments made prior to the date of this Agreement.

2. The Closing Date is December 31, 2020.
SCHEDULE 3

Repayment Schedule

<table>
<thead>
<tr>
<th>Date Payment Due</th>
<th>Principal Amount of the Credit repayable (expressed as a percentage)*</th>
</tr>
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<tbody>
<tr>
<td>On each February 15 and August 15, commencing February 15, 2022, to and including August 15, 2053</td>
<td>1.5625%</td>
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</table>

* The percentages represent the percentage of the principal amount of the Credit to be repaid, except as the Association may otherwise specify pursuant to Section 3.03(b) of the General Conditions.
APPENDIX

Definitions

1. "Affected Person" means a person who, as a result of: (i) the involuntary taking of land under the Project, is affected in any of the following ways: (A) relocation or loss of shelter; (B) loss of assets or access to assets; or (C) loss of income sources or means of livelihood, whether or not the affected person must move to another location; or (ii) the involuntary restriction of access to legally designated parks and protected areas, suffers adverse impacts on his or her livelihood.

2. "Annual Work Plan and Budget" means the work plan and budget approved by the Association and adopted by the Recipient in accordance with the provisions of Section I.D of Schedule 2 to this Agreement, as said work plan and budget may be modified from time to time with the written agreement of the Association.


4. "Beneficiary" means a youth and/or a youth group selected or to be selected to receive a Sub-grant under Parts A.2 and B.1 of the Project; all in accordance with the selection criteria set out in the Project Operations Manual; and the term "Beneficiaries' means the plural thereof.

5. "Cash Transfer Program" means the Recipient’s program set out in its Manual of Operations for the Liberia Pilot Social Cash Transfer Scheme dated September 2013, designed to provide benefits to extreme poor and/or Ebola-affected households.

6. "Category" means a category set forth in the table in Section IV of Schedule 2 to this Agreement.

7. "County Steering Committee" means the steering committee at the county level referred to in paragraph 2(a) of Section I.A of Schedule 2 to this Agreement.

8. "Community" means a local or village level institution, or inhabitants in the poorest sections or areas of the Recipient’s territory, as defined in Section 50B.3. of Title 12 of the Liberian Code of Laws of July 22, 2004.

9. "Community Oversight Committee" means the oversight committee at the community level referred to in paragraph 2(b) of Section I.A of Schedule 2 to this Agreement.

11. "Environmental and Social Management Framework" or "ESMF" means the framework dated February 25, 2015, prepared by the Recipient and approved by the Association, which sets forth an environmental and social screening process that enables Sub-project implementers to identify and assess potential adverse environmental and social impacts, and offset and reduce them to acceptable levels, or enhance positive impacts, and in accordance with which environmental and social management plans will be prepared and submitted to the Association for its approval, as the same may be further amended from time to time with the concurrence of the Association.

12. "Environmental and Social Management Plan" or "ESMP" means an environmental and social management plan, in form and substance satisfactory to the Association, to be prepared by the Recipient in accordance with the ESMF, and giving details of measures to manage potential environmental risks and mitigate, reduce and/or offset adverse environmental impacts associated with the implementation of a proposed Sub-project, together with adequate institutional, monitoring and reporting arrangements capable of ensuring proper implementation of, and regular feedback on compliance with, its terms, as any such plan may be amended and/or supplemented from time to time with prior written approval of the Association.


14. "Household Enterprises Sub-project" means a set of activities to be carried out under Part A.2 of the Project in accordance with the requirements of the Project Operational Manual; and the term "Household Enterprises Sub-projects" means the plural thereof.

15. "LACE" means the Recipient’s Agency for Community Empowerment, a socio-economic development fund established pursuant to Chapter 50B of Title 12 of the Liberian Code of Laws of the Recipient as of July 22, 2004, or any successor thereto.

16. "LACE Technical Team" means the technical team within LACE referred to in paragraph 3(b) of Section I.A of Schedule 2 to this Agreement.

17. "Memorandum of Understanding" means a MOU to be entered into between the Recipient and a Community pursuant to the provisions in paragraph 5 of Section I.F of Schedule 2 to this Agreement.
18. "MGCSP" means the Recipient's Ministry of Gender, Children and Social protection, or any successor thereto.

19. "MGCSP Technical Team" means the technical team within MGCSP referred to in paragraph 3(c) of Section I.A of Schedule 2 to this Agreement.

20. "MYS" means the Recipient's Ministry of Youth and Sports, or any successor thereto.

21. "Operating Costs" means incremental costs incurred by MYS, LACE, and MGCSP on account of the Project coordination, implementation and monitoring, including expenditures for vehicles operation and maintenance, office supplies and consumables, utilities, communication, translation and interpretation, bank charges, Project related travel, including per diem and accommodation, but excluding salaries of the Recipient's civil servants, and other miscellaneous costs directly associated with the Project implementation, all based on Annual Work Plan and Budget approved by the Association.


23. "Procurement Plan" means the Recipient’s procurement plan for the Project, dated February 9, 2015, and referred to in paragraph 1.18 of the Procurement Guidelines and paragraph 1.25 of the Consultant Guidelines, as the same shall be updated from time to time in accordance with the provisions of said paragraphs.

24. "Productive Public Works Sub-project" means a set of activities to be carried out under Part B.1 of the Project in accordance with the requirements of the Project Operational Manual.

25. "Project Coordination Committee" means the committee referred to in paragraph 1(a) of Section I.A of Schedule 2 to this Agreement.

26. "Project Management Team" means the project management team within MYS referred to in paragraph 3(a) of Section I.A of Schedule 2 to this Agreement.

27. "Project Operational Manual" means the manual to be adopted pursuant to the provisions of Section 5.01(b) of this Agreement.

28. "Resettlement Action Plan" or "RAP" each means a resettlement action plan to be prepared and implemented in accordance with the RPF; and "RAPs" mean more than one such RAP.
29. "Resettlement Policy Framework" or "RPF" means the framework prepared and adopted by the Recipient, dated February 25, 2015, which sets forth a framework of principles and procedures governing acquisition of rights to land, resettlement and compensation, as well as reporting and monitoring arrangements to ensure compliance with the said framework, as such framework may be amended by the Recipient from time to time with the prior written agreement of the Association, and with which the Sub-project implementers are obliged to identify and mitigate specific harms to persons who may be displaced or otherwise adversely affected by the Sub-projects in terms of the affected persons' access to lands or livelihoods, and in accordance with which RAPs will be prepared and submitted to the Association for its approval.

30. "Respective Parts of the Project" means: (i) in the case of MYS, Parts A.1, A.3 and D.1 of the Project; (ii) in the case of LACE, Parts A.2, B.1, B.2 and D.2 of the Project, and (iii) in the case of MGCSP, Parts C and D.3 of the Project.

31. "Safeguard Document" means an ESMP or RAP; and "Safeguard Documents" mean more than one of such document.

32. "Subsidiary Grant Agreement" means the agreement referred to in Section I.B of Schedule 2 to this Agreement, to be entered into between the Recipient and LACE, pursuant to which the Recipient shall make part of the proceeds of the Financing available to LACE, as the same may be amended from time to time with the prior written agreement of the Association; and such term includes all schedules to the Subsidiary Grant Agreement.

33. "Sub-grant" means a grant, in cash and/or in kind, made or to be made by the Recipient to a Beneficiary pursuant to the eligibility criteria and governing procedures as set out in the Project Operations Manual; and the term "Sub-grants" means the plural thereof.

34. "Sub-grant Agreement" means an agreement to be entered into between the Recipient and a Beneficiary pursuant to the requirements as set out in the provisions of paragraph 3 of Section I.G of Schedule 2 to this Agreement; and the term "Sub-grant Agreements" means the plural thereof.

35. "Sub-project" means a Household Enterprises Sub-project or a Productive Public Works Sub-project; "Sub-projects" means the plural thereof.

36. "Training" means expenditures associated with Project related study tours, training courses, seminars, workshops and other training activities, not included under service providers' contracts, including costs of training materials, space and equipment rental, travel, accommodation and per diem costs of trainees and trainers, trainers' fees, and other training related miscellaneous costs, all based on Annual Work Plan and Budget approved by the Association.